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VOL. II NO. 367

TUESDAY, DECEMBER 9, 1947.

FIVE JEWS KILLED ON JAFFA-TEL-AVIV BORDERLAND

Jerusalem, Dec. 9.—Flames and gunfire swept the bloody borderland between the all Jewish city of Tel-Aviv and all Arab Jaffa today, claiming the lives of five more Jews and resulting in injuries to five others. Fire which broke out in a row of Arab houses and shops added to the scene of terror, sending a long column of smoke and flames into the sky.

AUSTRALIA SLASHES US IMPORTS

Canberra, Dec. 8.—Australia today slashed imports of American cars, petrol, tobacco and newsprint to ease the dollar position.

Mr Joseph Chifley, the Australian Premier, announced these cuts: Imports of motor vehicle chassis limited to £20,000,000 for the 18 months ending June 30, 1947. Only £2,000,000 allowed for imports before June 30, 1948.

Petrol: A reduction of a further 10 per cent to be made.

Tobacco: A 50 per cent reduction in the 1948-1949 period will be made.

Newsprint: Fifty-one per cent cut in consumption compared with 1946.

Film: Retention in Australia of a proportion of film companies' remittances to be made.

The total Australian imports from the United States and Canada were to be about £20,000,000 in 1947-1948, Mr Chifley announced, compared with actual imports of just over £20,000,000 in 1946-1947.

The measure taken by the Government would reduce the import rate in 1948 to one which will be practicable in the light of the assessment of the dollar situation at present available.

Mr Reginald Pollard, the Minister of Commerce, would be authorised within the framework of the existing import controls to diversify greater proportion of Australian-produced goods to the dollar market.—Reuter.

Reds Planning To Attack Tsingtao

Tsingtao, Dec. 8.—The Nationalist Garrison today claimed that a Communist military conference has decided to attack Tsingtao, where Admiral Charles Cooke's Western Pacific Fleet is based.

The Garrison said that government troops are prepared to rout any Red offensive in this area. The nearest Red unit outside Tsingtao is located at Kinkoishan, 30 miles west of Tsingtao.—United Press.

EDITORIAL

British Film Industry

THAT British films have won for themselves, on merit, a finer appreciation among foreign audiences, is further evidenced by the new arrangement made between Mr J. Arthur Rank and the big United States film circuits whereby British films produced by the Rank organisation in future will be shown on the five major American film circuits at the same time as American movies are shown. Herein lies important recognition of the advances made by British films since their pre-war doldrums; additionally (and it is a matter of moment) this new agreement will earn valuable dollars for the home country. It can be said that England seriously started to produce films 33 years ago, and during that time the industry has passed through a long age of ups and downs; an era of gigantic obstacles, apparently decisive defeats, and a succession of false hopes. Now, by the quality of its films, and the strength and flexibility of a newly-organised industry, Britain has more than restored its reputation as a film-making power, fully able to compete in most respects with Hollywood and other international producers. Paradoxically, although many studios were requisitioned, and technicians began to disappear into the armed forces, World War II did as much towards the impressive development of the British film industry as any other factor. While the output of films

was reduced to about a third, the quality rose beyond all expectations. Under the stress of the war the home country achieved an integrity in film production and a faith in the common roots of English life which previous movie-makers had lacked. Skillfully too, British producers capitalised on their knowledge of the documentary film (a phase of screen entertainment in which they have always remained pre-eminent). From this knowledge and experience blossomed pictures such as "In Which We Serve," "The Way Ahead," and "School for Secrets," all of which received world-wide acclaim. The war also produced J. Arthur Rank, whose organising genius has placed him and the British film industry on an equal footing with Hollywood. The day has passed (it is to be hoped for ever) when people openly scoffed at British endeavours to produce films which could claim a universal appeal. Our productions have not yet fully captured the imagination of the Chinese, partly because much of their effectiveness still resides in the subtle nuances of dialogue and accent. But British films in Hongkong are no longer sneered at; rather is there a growing audience eagerly awaiting the latest products from Ealing, Welwyn and the other British studios—a definite sign that Hollywood, expert though she be in producing certain types of screen entertainment, is confronted by a worthy competitor.

A battalion of British Infantry is at present in "buffer" position on the Jaffa-Tel-Aviv border to prevent any large-scale flareup between Jews and Arabs.—Reuter.

REPORT DOUBTED

London, Dec. 8.—Jewish Agency officials in London were frankly sceptical today of the press reports that their colleagues in Palestine had approached the British Army with the offer of military bases to the Jewish state as a condition that the Jewish state was to become part of the British Empire.

"We have heard nothing of such offer and we think it extremely unlikely," a spokesman said.

"Such step could only be taken after consultations of the highest authorities of the Zionist movement, who have never considered anything of the kind,"—Reuter.

MUFTI TO MEET FAROUK

Cairo, Dec. 8.—Haj Amin El Husseini, Mufti of Jerusalem and exiled leader of Palestine's Arabs, is to be received in audience by King Farouk during his present visit to Cairo. It was understood here tonight.

As soon as the present session of the Arab League discussing the Palestine partition is ended, the Mufti will return to Lebanon where, according to Cairo reports, the "Palestine liberation headquarters" have been set up.

The Arab League Council session was described by qualified observers as the "most vital turning point in the history of the modern Arab world."

Its theme, they said, was "action not words."

The elaborate security measures at this session have not been applied to previous meetings of the League and were seen as underlining the grave nature of the matters being discussed and the decisions to be taken.

The talks are expected to centre on the ways and means of carrying out the decision to "protect" Palestine taken at earlier sessions. It is not expected that the result of the discussions will be made public, a statement will probably be made emphasising the unity of all member states and their determination to oppose the partition of Palestine.

The Egyptian Senate approved unanimously tonight a resolution calling on the Government "to co-operate with other Arab and foreign governments opposing the partition to prevent the execution of all possible means."

The resolution expressed the Senate's resentment at the "unjust decision by the United Nations General Assembly dividing Palestine into two states contrary to the most sacred rites of the Palestinian people and in contradiction of the United Nations Charter.—Reuter.

1,000-MILE HITCH-HIKE

London, Dec. 8.—One of the husbands trying to bring their Soviet-born wives to Britain is making a 1,000-mile hitch-hike of England, Soviet Foreign Minister, M. Vyacheslav Molotov, that opinion of the topic is nationwide and not confined to political leaders in London.

John Bolton, of Falkland Road, Hove, North London, has left London by lorry for Birmingham. He hopes to cover the Midlands, Northern England and South Wales, staying at hotels to keep expenses for his fortnight's tour to the maximum of £10.

The husbands have prepared a leaflet for signature and dispatch to the Soviet Foreign Minister at the Soviet Embassy. Five thousand copies of the leaflet have already been signed and posted. Bolton, in his tour, is taking 3,000 of these leaflets with him.—Reuter.

STIRRING SIGHT

Chatham, Kent, Dec. 8.—Three senior naval officers—Admiral Sir Harold Burroughs, Commander-in-Chief, The Nore, Rear-Admiral B. C. B. Brooke, Commodore of Chatham Barracks, and Captain E. N. R. Fletcher, in charge of the Stores Section—here today stirred 560 pounds of mixture for Christmas puddings to be eaten by 1,600 naval ratings on Christmas Day.

The three officers used Carley float paddles to do the mixing and into the mixture Sir Harold poured 12½ pints of rum and scattered 160 silver three penny pieces.—Reuter.

Ready To Administer Aid To China Plan

Washington, Dec. 8.—As China's chances of getting US\$60,000,000 interim aid improved in Congress, administration officials told the United Press that they had a plan prepared for administering this aid if Congress finally approved it.

Although caught completely unprepared by the surprisingly strong Congressional sentiment favouring interim aid for China together with the emergency European relief plan, the administration naturally hastened to draft a blueprint for the handling of such aid if it materialised.

While refusing to disclose details of the plan, sources said it envisaged setting up credits in this country against which the Chinese would draw for the purchase of an approved list of reconstruction items rather than granting cash aid directly to China.

The Chinese would be permitted to submit lists of items they wished under this credit and, on the basis of their so far refused requests to the Export-Import Bank, they expected they would lay emphasis on reconstruction equipment for harbours, railways and the like.

NOT TO STOP INFLATION

Officials here said there was no question of this US\$200,000,000 per month or any part of it being used in a direct attempt to stabilise the Chinese currency since the amount available was too small to do any good along that line.

While it is recognised that Congress, if the Senate eventually approves the interim aid for China, favouring interim aid for China, will attach some restrictions to the use of funds, it is hoped in administration quarters that the limitations will not be too severe.

Officials explained that the greatest difficulty in administering post-UNRRA relief in China had come from too many strings attached to appropriation. While some administration sources believe the best possible use of interim aid funds would be to purchase ammunition and other military supplies for Chiang Kai-shek's beleaguered forces, they fear this would meet too much popular resentment in this country.

CHIANG'S BLUNDER

Feeling is that the Chinese military position will continue to deteriorate as long as the Central Government has its crack troops "dying on the vine" in Manchuria for lack of military supplies. It is felt in informed quarters here that Chiang Kai-shek committed a great strategic blunder in sending all the best forces up to Manchuria without the possibility of supplying them. It is pointed out that he is thus shattering the morale of the only dependable fighting forces he had.

Administration officials envisage no increase in the number of American military mission members now in Nanking working with the Chinese General Staff. The United States Mission now consists of approximately 750 officers and men, plus a large number of communications personnel and graves registration units attached to the Mission merely as a matter of administrative simplification.

With the House of Representatives apparently determined to include US\$60,000,000 for China in the interim aid bill, final decision will have to come in the conference between the Senate and House to iron out their differences.

CASUAL CONSIDERATION
Administration quarters feel that Congressional pressure for China aid in all cases, except perhaps that of the long-time friend of China, Representative Walter Judd, stems more from a desire to embarrass the administration than from a sincere desire to aid China. However, they are prepared to carry out aid, if

SCHUMAN'S ORDERS TO FRENCH STRIKERS

Return To Work By Wednesday: Forfeit Pay During Walk-Out

Paris, Dec. 9.—Premier Robert Schuman's government demanded tonight that French strikers return to work by Wednesday and told them they would receive no pay for the days lost during the walkouts.

The Cabinet offered, however, to pay a cost of living premium of US\$13 monthly retroactive to November 24 for those workers back at their benches by Wednesday, and said it would not attempt to prosecute strikers under terms of the new stringent strike control law.

The government handed its terms to the Communist-dominated General Confederation of Labour,

as that organisation was shaken by a rank and file revolt and the apparent failure of its attempt to increase the paralysis of France with a 48-hour walkout of public service workers.—Associated Press.

STOPPAGES ON WANE

Paris, Dec. 8.—The industrial stoppages which have dislocated France's economic and social life for three weeks were on the wane tonight.

Miners in the northern coalfields have resumed work on a big scale after strike pickets had been dispersed by troops, who arrived in many of the mining districts this afternoon.

As the nationwide "back to work" trend strengthened the Confederation of Labour was due to resume negotiations with M. Robert Schuman's government.

Few civil servants obeyed the call for a token strike planned for today and tomorrow.

Most of their employees were working as usual, according to officials of the following ministries: the Prime Minister's Office, Foreign Affairs, Interior, Public Health, German Affairs, Labour, Social Security, Commerce and Supply, Agriculture and Forestry, and the Prefectures throughout France.

Municipal transport workers remained "on the job" but in some places they were attacked by demonstrators. At several Paris bus depots strikers sowed the streets with nails and hurled stones through the windows of vehicles. Demonstrators tried to halt underground railway traffic and one underground driver was beaten up.

Most schools in Paris re-opened today after being closed for two weeks through a teachers' strike, but apart from the capital numbers of primary teachers were still on strike.—Reuter.

M.P. SUSPENDED

London, Dec. 8.—Mr Arthur Lewis, Labour Member of Parliament for West Ham (Upton) was last night suspended by the National Executive of the General and Municipal Workers Union pending a full inquiry into the Savoy Hotel strike.

In addition to Mr. Lewis, who is the catering organiser of the Union, a number of other officers were at the same time informed of their suspension.

He was fined a maximum of £5, with 10/- costs, here today for obstructing the police during the strike picketing at the Savoy Hotel.—Reuter.

TRUMAN ENDS HOLIDAY

Key West, Florida, Dec. 8.—President Truman ended his Florida vacation today and left by plane for Washington to complete his message to Congress on the long-range European aid plans.—Reuter.

Chinese Reds Escaping From Trap

Shanghai, Dec. 9.—Communist General Liu Po-ch'en's troops, battling desperately to escape the Nationalist encirclement of Tapiehshan mountain, continued to dash across the Peiping-Hankow railway at Liulin, approximately 70 miles north of Hankow.

Chinese pro-Government dispatches admitted today that 10,000 Red raiders under the one-eyed general have already succeeded in crossing the rail line.

However, the reports said that the Nationalists closed the gap and have thrown a cordon around the fleeing Communist troops.

Liu Po-ch'en himself was believed to be still east of the railway directing operations somewhere along the Lotien-Huangshan highway south-east of Liulin.

Frontline dispatches indicated that the Nationalist Military Command is

throwing in additional reinforcements in an effort to liquidate Liu Po-ch'en's raiders before they can succeed in reaching Western Hupeh.

It was understood that aerial activities were greatly reduced by the Nationalists due to the unfavourable flying weather.

The National Defence Minister, General Pai Chung-hsi, personally

in command of the Central China front, will return to Hankow.

Pro-Government reports claimed that the government troops are still holding out at Laiyang, 70 miles north of Tsingtao. They admitted that the Communists for a time had penetrated the eastern and western city gates, but were repulsed with heavy losses.—United Press.

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DOCUMENTS REMOVED FROM BRITAIN'S ROME EMBASSY

London, Dec. 8.—An Italian servant removed documents from the British Embassy and handed them over to the Italian authorities over a considerable period before the war, Mr Hector McNeil, Minister of State, disclosed in the House of Commons today.

He was describing as "inaccurate" the allegations of Dr Kurt Von Schuschnigg, Chancellor of Austria when Hitler marched in, that Italy had access to the secret files of the British Foreign Office before the war. All the allegations were made in the book "Austrian Requiem," written by Dr. Schuschnigg, who is now in the United States.

NEW CURRENCY FOR MERGED GERMAN ZONES

Washington, Dec. 8.—The decision to prepare a new currency for Western Germany was made on joint Anglo-American initiative, authoritative quarters in Washington disclosed today.

They confirm that in the event of a breakdown of the present Foreign Ministers' meeting in London, this currency would be used in the British as well as in the American Zone.

It was presumed that if France joined in a zone merger agreement, the new currency would also circulate in her zone. American press reports indicated that the main purpose of the recent visit to Paris of Mr John Foster Dulles, the Republican adviser to the American Secretary of State, Gen. George Marshall, was to find out whether France, in the event of a change of Government, particularly a Government under General Charles de Gaulle, would agree to an economic merger of its zone with those of Britain and the United States.

With Mr Dulles describing the results of his talks as "satisfactory," it was presumed that the prospects of such action was still good.—Reuter.

BA MAW TO BE TRIED

Rangoon, Dec. 8.—Dr Ba Maw, head of the Burmese Government, and Thakin Ba Gai, a former Executive Councillor, both of whom were to have been called as defence witnesses for U. Saw, former Premier facing a special tribunal in the Burma State assassination trial, are themselves to be tried shortly for conspiracy to overthrow the Burmese Government.

They will be among over 100 persons to be brought to trial in connection with the shooting of Aung San, Burmese Premier, and six of his Ministers last July.

Nine men, including U. Saw, are already on trial. All the accused have been in custody since the assassination and it was learned officially yesterday that the case against them will begin in January and include charges concerning violation of the Arms Act.

It is understood that three British Army officers and some others will face separate charges of allowing the theft of arms and munitions from army and police depots prior to the assassination.—Reuter.

LOUIS-WALCOTT RETURN FIGHT FIXED FOR JUNE

New York, Dec. 8.—The world heavyweight champion, Joe Louis, today agreed to meet challenger Jersey Joe Walcott in a return match in the Yankee Stadium next June shortly after the New York Boxing Commission refused to reverse last Friday's disputed decision.

Sol Strauss, Acting Director of the 20th Century Sporting Club, announced that Louis would receive 40 percent of the net gate, including radio, television and movie rights. Walcott, who has not been approached for a return fight, will be offered 20 percent of the net.

Strauss said these terms are identical with those of the second Louis-Billy Conn fight, which drew \$2,000,000 at the Yankee Stadium in June last year.

The announcement came four hours after the Commission denied Walcott's appeal to have the decision of Friday night's fight reversed.—United Press.

Indians Win

Warwick, Queensland, Dec. 8.—Replying to the Indians' total of 335, the Queensland side gave an indifferent batting display, losing eight wickets for 145 before a severe hailstorm ended play to-day at 1915 hours.

Superb batting by Allen, the former Queensland Vice-Captain and Sheffield Shield century maker, alone prevented a rout.

Phadkar's inspiring opening attack forced the country side on the defence. At one stage his figures were four for four, and his swing was most impressive.

The spinners were handicapped by the wet ball.

The Indian's fielding was patchy, occasional brilliant fielding offset by slovenly ground work and wretched returns.

Though this was a minor fixture, it was a disappointing feature of the drawn match.—Reuter.

Mr McNeil, who was replying to a question, said: "The allegations made by Dr Schuschnigg in his book 'Austrian Requiem' have been closely and fully examined, and we have come to the conclusion that the account given is inaccurate.

"However, it undoubtedly refers to a series of leakages from the Embassy in Rome before the war, of which we had been aware.

"These leakages were the subject of an investigation in 1944, which revealed that an Italian servant had been able to remove documents from the Embassy in Rome for a considerable period.

"This servant was apprehended after the war and admitted what he had done. He stated that he had received considerable sums of money from the Italian authorities.

"Ciano's Boast
"We also believe that Count Ciano was in the habit of boasting that he had a source in the Foreign Office which provided him with the contents of secret files affecting Italy. It is thought, however, that this was a device by which Count Ciano sought to cover up the actual source of his information, which we now know to have been the Rome Embassy.

"Count Ciano gives a clear account of the leakages in his book. Mr Raymond Blackburn (Labour) asked Mr McNeil specifically to repudiate the 'cowardly insinuation' made by a Communist Member against that distinguished public servant, Lord Vansittart.

"When the matter was raised last week, Mr William Gallacher (Communist) had asked for a full investigation 'considering that Lord Vansittart, or someone nearly associated with him, is associated with these serious allegations.' Lord Vansittart was formerly Permanent Under-Secretary for Foreign Affairs.

No Powers To Proceed

Mr McNeil replied that he thought the attack had been directed largely against the Foreign Service. Although they had made the most careful investigations, they were satisfied that no leakage took place at this end.

"The unfortunate and inexcusable leakage took place from Rome," he added.

Mr McNeil said that the Government had no powers to proceed against the servant because he was an Italian national. This leakage had been stopped a long time ago.—Reuter.

FARLEY SUPPORTS TRUMAN

New York, Dec. 8.—The former Democratic National Chairman, Mr James A. Farley, returned to active politics today and announced that he would support President Truman for re-election.

He said his own 1948 activities are likely to be as a "free-lance worker for the Party."—United Press.

Unruly Crowds

London, Dec. 8.—The closure of the Millwall and Dartford football grounds because of the unruly action of small sections of the spectators is a further indication of the Football Association's determination to stamp out hooliganism.

Millwall's manager, Jack Cook, commenting on the situation, said that at the next home game of Millwall on December 20 (the closure will have ended by then) he will make an appeal to the crowd.

Millwall had posted warning notices as directed by the Football Association, and now they propose to broadcast to the spectators asking them to play the game.

"There is little else we can do, even 20 or 30 extra guards could not prevent the people throwing things or invading the pitch.

"It is just up to the crowd to keep their tempers."—Reuter.

Ice Speed Skating

Richmond, Dec. 8.—Dennis Blundell, of Birmingham, won the British quarter-mile ice speed skating championship in 45.6 seconds, the holder, Roy Wolman, being beaten in the semi-final by Blundell.—Reuter.

Rugby Result

London, Dec. 8.—The result of the Rugby Union game played yesterday was as follows:
Oxford University 18, Oxfordshire 11.—Reuter.

Squash Match

London, Dec. 8.—Surrey defeated the Army by three matches to two in a squash match at the New Malden Lawn Tennis Club during the week-end.—Reuter.

Radium Thrown Into Furnace

London, Dec. 8.—The Ministry of Supply has been asked to help Lambeth Hospital to try to recover 50 milligrams of radium accidentally lost.

The radium was in a number of radium needles thrown into the hospital's furnace and burnt.

The coke clinker, removed from the furnace, was found to be radioactive, so the Ministry agreed to send a lorry to load the clinker to the Radio Chemical Centre at Amersham which deals with all radioactive substances. The Centre will measure the amount of radium in the clinker and decide if it is an economic proposition to extract it.

Some of the coke clinker, which is only very slightly radioactive, is to be dumped into the sea.—Reuter.

PROPOSAL BY MOSCOW REJECTED

Peking, Dec. 8.—The Foreign Office announced today that China has rejected the Soviet proposal for a Four Power preliminary Japanese peace conference in China in January.

It said that China would insist that all 11 nations of the Far Eastern Commission take part in such talks. The Foreign Office said that the "Soviet government was again urged to accept the view of the Chinese Government."

The reply to Russia's November 27 note was dispatched by the Vice-Minister of Foreign Affairs, Mr George Yeh, on December 5. The Foreign Office announcement said the Chinese note pointed out that the Far Eastern Commission has explicitly been charged with the work of formulating policies concerning Japan's fulfillment of her obligations under the surrender terms.—United Press.

King Leopold's Position

Brussels, Dec. 8.—The Belgian Cabinet, after a two and a half hour meeting in Brussels tonight, announced that the Government "had decided on its attitude regarding the new developments in connection with King Leopold, now in exile in Switzerland."

The Government's statement, which, it is understood, has already been drafted, is reported to say that the king "did not forfeit his honour" in the war but makes reservations as to some of his actions, both before the war and during it.

In quarters close to the Government, it is understood that any sharp differences in Belgium's Coalition Cabinet over the Royal question have, so far, been averted.

But it is thought in political quarters that an appealing statement concerning the King's past conduct which the Belgian Government had ready for release some time this week could be delayed. This was due to the hardening of the Socialist position, consequent upon the King's statement yesterday, which was described as "untimely."—Reuter.

Pretended To Be Army Deserter

Newcastle, Dec. 8.—John Wilson, 28, formerly of Gosforth, Newcastle-on-Tyne, was alleged today, Newcastle to have spent a week-end in the guard room at Fenham Barracks, Newcastle, after telling the sergeant in charge that he deserted from the Royal Scots Fusiliers.

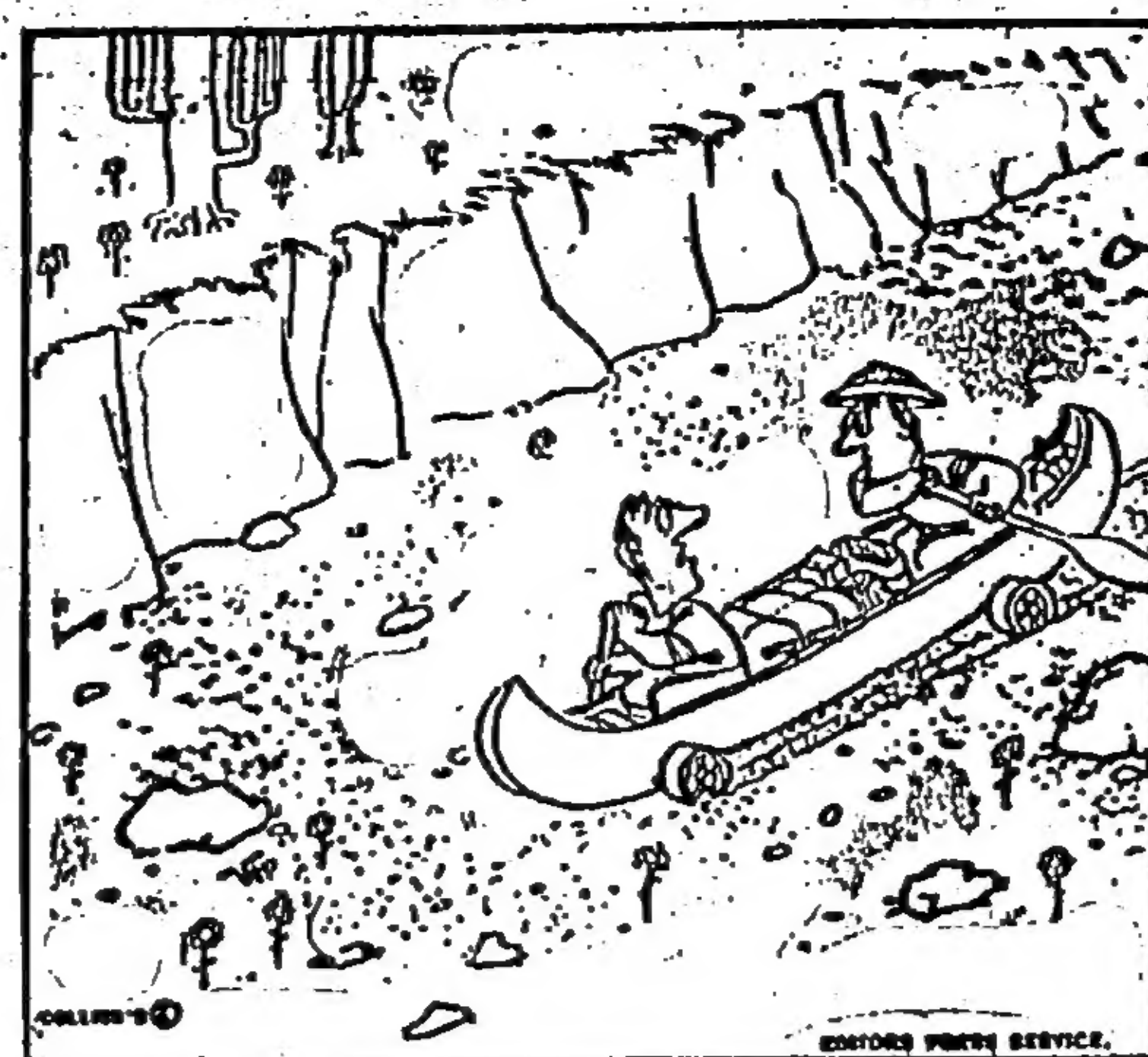
Wilson pleaded guilty to pretending to be a deserter and was remanded in custody.

He told magistrates that he was discharged from the Royal Scots Fusiliers in August 1945, after serving 10 years. He had tried to rejoin the Army but was not accepted.—Reuter.

CHECK YOUR KNOWLEDGE

Answers

1. Islands off the coast of Scotland. 2. The masses. 3. The thigh bone. 4. Earthquake. 5. Before Daquerra. 6. Indian corn.



"This time of the year, the rapids aren't so bad."

Krupp Combine Called State Within A State

Nuremberg, Dec. 8.—War plunder and slavery were charged against the firm of Krupp when the trial of 12 former officials of the once mighty German munitions combine opened here today before an American war crimes court.

The United States chief prosecutor, Brigadier-General Telford Taylor, and his staff charged the Krupps officials with having effected a coalition between the policies of the fabulous armaments "Empire" and the Nazi Party.

Of Krupps, which became practically a "state within a state" in 1943 under an official commendation from Hitler, the deputy prosecutor, Mr Joseph Kaufman, said: "There was no crime such as a state could commit—whether it was war plunder or slavery—in which these men would not participate."

Although not on trial, the former chief of the combine, Gustav Krupp, was accused of rallying German industry behind the Nazi dictatorship early in 1933 and of levying money from it for Hitler. He was accused of moulding the Krupp policy to meet every development in the Nazi plans of aggression.

Wants U.S. Lawyers

At the conclusion of a four-hour opening statement, the counsel for Alfred Krupp, Dr. Böhlen and Krupp, former chief of the combine and principal defendant, asked the court for permission to retain a firm of United States attorneys on behalf of his client. The tribunal ruled that the request would be taken under advisement.

Alfred Krupp succeeded his father, Gustav, as head of the vast armaments concern in the final days of the last war, when the elder Krupp's mind and health crumbled. As head of the Krupp "dynasty," he sat with his 11 colleagues in the large dock where, a year ago, Goering heard himself convicted of heading Germany's four-year rearmament plan which they were now accused of secretly setting in motion.

The charges were crimes against peace, plunder, exportation and abuse of slave labour, and common conspiracy to commit these crimes.

On what was generally recognised as the most important charge in the case—"the aggressive war" charge—Mr Kaufman, said that the Versailles Treaty had represented little more than a worthless scrap of paper in German rearmament.

Secret Developments
Mr Kaufman told the court that in production after the first World War, Krupp managed to manufacture 315 new cannons and repair 238 damaged pieces between the Armistice and July 1919.

The deputy prosecutor alleged that Krupp managed to circumvent the treaty limitations "despite the experts."

DISCOVERY IN CAUCASUS

Moscow, Dec. 8.—Soviet archaeologists have uncovered a treasure cache buried by Caucasian tribesmen 2,600 years ago.

In it they found now evidence to support the theory that the mid-Caucasian mountains and valleys were one of the cradles of civilisation.

The vases, bronze axes, open work azure dagger sheaths and drinking cups as well as small pieces of coloured metal work that end in the guard room at Fenham Barracks, Newcastle, after telling the sergeant in charge that he deserted from the Royal Scots Fusiliers.

Wilson pleaded guilty to pretending to be a deserter and was remanded in custody.

He told magistrates that he was discharged from the Royal Scots Fusiliers in August 1945, after serving 10 years. He had tried to rejoin the Army but was not accepted.—Reuter.

This most wonderful discovery of our summer expedition was discovered in the gorge of the river Palgan Su," reported Prof. E. I. Krupnov, head of the expedition. The archaeologists were directed to the treasure by a collective farmer who had been helping a road gang and, while waiting for a car to take him back to his farm, climbed a 300-foot hill over the river. He discovered a new cave and, entering it, stumbled across a flagstone. The treasure was beneath it. The expedition also discovered the oldest central Caucasian burial ground yet unearthed. It is believed to date back to some time in the second thousand years before Christ.—United Press.

annoying presence of the Disarmament Commission. This was done with the "secret support and encouragement" of the new German Government.

Mr Kaufman charged that Krupp, after the Versailles Treaty, decided to go on secretly developing new technical improvements on weapons as well as to keep in close contact with the scientists on its staff who might be called upon suddenly to arm for the day when "Germany must again fight to rise."

The American prosecutor charged that captured German Navy records proved that in 1922 Krupp established a dummy Dutch company to experiment outside Germany with an underwater warship and thus avoid an obvious breach of the Versailles Treaty.

Submarines Built

Not only did the disguised Dutch branch of the Krupp shipbuilding enterprise experiment on new developments, Mr Kaufman said, but it also actually built submarines for sale to other governments during the period when Germany was generally believed to be more interested in peaceful invention.

Because of the technical advantages by the dummy company, the German Navy admitted, in its recent history, that it was able to put a completely fitted modern submarine into action within three and a half months of the restoration of German military sovereignty on March 10, 1935.

Mr Kaufman said that in artillery and tank design, the Krupp concern was accused of accomplishing its secret weapon planning through a confidential agreement with the Swedish firm of Bofors.

Under this agreement, Bofors took over and delivered orders originally placed with the German company. Bofors also agreed to exchange essential information with Krupps and on several occasions firing tests were made before German officers.—Reuter.

TRAINS COLLIDE: SEVEN KILLED

Calcutta, Dec. 8.—Seven people were killed and fifty injured when a north Bengal express crashed into a freight train standing at Kancharpara station, 28 miles from Calcutta.

Two baggage cars and a mail car on the passenger train were telescoped.—United Press.

OUTWARD MAILS

Xmas Letter Mail By Air
Xmas letter mail by air will close on Friday, 12th December, 1947, at:
G.P.O. Knowlton C.P.O.
Reg. 3.30 p.m. Sea 3.30 p.m.
Reg. 3.30 p.m. Ord. 3.30 p.m.
This mail is expected to arrive in United Kingdom on Thursday, 18th December, 1947.

Unless otherwise stated, registered articles and parcel posts close 30 minutes earlier than the ordinary mail. If mail closes before 10 a.m. registered and parcels will close at 5 p.m. on previous day.

TUESDAY, DECEMBER 9
Closing Times By Air
Bangkok, Batavia, Calcutta, Karachi, Bahrain, Cairo (Nairobi), Johannesburg & Marseilles via Cairo August 10
London, 3.30 p.m.
Amoy and Foochow, 3.30 p.m.
Shanghai, Nanking, Hankow, Tsingtau and Peking, 3.30 p.m.
Swatow, 3.30 p.m.

Closing Times By Sea & Train
Canton (Train), 1 a.m.
Macao, Tientsin & Shekhi (Sea) 8 a.m.
Manila, P.I. (Sea) 10 a.m.
Batavia (Sea) 10 a.m.
Hollow and Fohki (Sea) Noon.
Macao, Tientsin & Shekhi (Sea) 1 p.m.
Canton (Train) 2 p.m.
Batavia, Ceylon, India, East and South Africa, Egypt and Europe via London, (Sea) 3 p.m.

Macao, Tientsin & Shekhi (Sea) 4 p.m.
Kongmoon (Sea) 4 p.m.
Canton (Train) 5 p.m.

WEDNESDAY, DECEMBER 10
Closing Times By Air
Swatow, Tientsin and Amoy, 9.30 a.m.
Manila P.I., Honolulu, USA & Canada, 10 a.m.
Manila, P.I., 3.30 p.m.
Canton, Muechow and Kuning, 3.30 p.m.

Tientsin, 3.30 p.m.
Amoy, Shanghai, Nanking, Hankow, Tsingtau and Peking, 3.30 p.m.
Closing Times By Sea & Train
Canton (Train) 1 a.m.
Macao, Tientsin & Shekhi (Sea) 8 a.m.
Batavia and Hongkong (Sea) 10 a.m.
Hollow (Sea) 10 a.m.
Haliphong (Sea) 10 a.m.
Canada (Parcel only) via Vancouver (Sea) 10 a.m.

Swatow (Sea) Noon.
Shanghai (Sea) 2 p.m.
Japan (Ordinary letters & cards only) (Sea) 3 p.m.

Macao, Tientsin & Shekhi (Sea) 1 p.m.
Canton (Train) 2 p.m.

Big Four Ministers Break Deadlock

London, Dec. 8.—The Council of the Big Four Foreign Ministers today broke the deadlock on procedure by agreeing to discuss both the British and Soviet documents on economic principles for the future German State.

The Conference will take the British basic document (Supplementary Principles to the Potsdam Agreement) as its working paper. The Ministers will discuss, in connection with each British paragraph, the corresponding paragraph in the Soviet document submitted today, where there is an equivalent.

After the Ministers have worked through the British document with the equivalent Soviet draft, they will discuss any paragraphs in the Russian documents which do not have an equivalent in the British document.

The Conference then discussed the paragraph of the British document dealing with economic questions and reached agreement on it, subject to drafting changes. This paragraph states that the controlling powers, during the second phase of the initial control period, will try to eliminate Germany's war potential, repay the damage done to the Allies during the war and, subject to security requirements, help Germany to restore her economy.

It also states that the Allies will try to assist Germany to achieve a balanced economy by which essential imports will be paid from external sources and the occupying powers for the sums advanced on account of the occupation costs and "to play her part in the restoration of a healthy economy in Europe as a whole."

Molotov's Statement

Before the start of the meeting, M. Molotov, the Soviet Foreign Minister, circulated a statement declaring that the Soviet Union had not been responsible for last Saturday's deadlock and proposing that the Soviet basic document on economic principles, which he also circulated at the same time, should be discussed by the Conference jointly with the British document.

The Foreign Ministers called a short recess before to-day's meeting so that the Russian document could be examined.

Gen. George Marshall, U.S. Secretary of State, had asked M. Molotov to give the Conference "a single comprehensive document" by to-day on the Russian proposals for German economic unity after the Russian Foreign Minister had tabled three documents which the Western Foreign Ministers said did not solve the problem only "in part."

The statement refused to accept the British draft as a basis for discussion because it was "aimed at superseding the principles of the Potsdam Conference by new principles."

These principles "contradict the Potsdam decision and infringe the legitimate interests of States which suffered from German aggression and occupation."

Potsdam Fulfilment
The Russian statement said that contrary to the British proposal, the Soviet Union considered it necessary to "insist" on the fulfilment of the Potsdam Agreement and on an "elimination of the existing violations of the Agreement."

It added: "In fact, a new centre for the Western Zones of Germany has already been created at Frankfurt on Main, where the Anglo-American authorities are acting separately and independently of the Control Council in Berlin."

"Such a state of affairs is reflected in the most harmful way on the economic rehabilitation of Germany."

M. Molotov complained that more than a year after the fusion of the

Anglo-American Zones industry was still in a "state of decline," failing to produce the goods necessary for the population as well as for export.

An increase in the coal output could not ensure the economic rehabilitation of Germany because a "brake" was being put on the recovery of Germany's other industries.

Agriculture was also in a state of decline and small farmers had not received land from the Junkers "on which they counted in view of the promises to carry through a genuine land reform." This made supplying the cities with food difficult.

Violation Charged
The statement continued: "On the other hand, the Anglo-American authorities, by separate action and regardless of the four-power Control Council, are carrying through their decision concerning one-sided restoration of certain branches of the heavy industry."

"Old Hitlerite bosses have drawn from among former members of the German war industry cartels and trusts to take part in restoring the steel industry."

Thus, the Anglo-American authorities have already proceeded to restore the war industrial potential in Western Germany, relying on the support of the old Hitlerite circles of the industrial monopolists hostile to democratic Europe, and have prevented the Control Council from supervising this activity, which is a flagrant violation of the Potsdam Agreement."—Reuter.

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